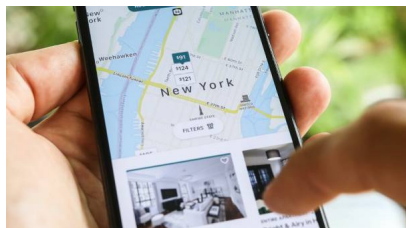


NEW YORK CITY IS NO LONGER THE MECCA OF TOURIST APARTMENT



Are you going to NYC? Are you thinking of renting a tourist apartment via Airbnb-type platforms? Due to much stricter legislation, this will now be difficult, even prohibited for a stay of less than 30 days.

Between 2008 and 2013, Airbnb heavily relied on the east coast megalopolis, contributing to 70-80% of its business. However, the platform has now expanded its services to major cities across America. Despite this expansion, **New York City remains a destination where Airbnb faces the strongest and longest protests from the hotel industry and real estate agencies.** On September 5, the city passed a new law that forbids property owners from renting out their entire property or a part of it for less than 30 days.

What Specific Rules Apply to Landlords?

In New York City, all property owners must register before renting their tourist apartments. Owners can only offer one room for stays of less than one month and only if they are present during the entire stay of the visitor(s). The room visitors occupy must be directly accessible, and there cannot be more than two visitors at once. If an owner has not received a green light, they must refuse payment via a rental platform. Violations of these rules may result in severe financial penalties and sanctions for the platform. Furthermore, the Office of Special Enforcement (OSE) will monitor the proper application of these rules.

What Is the Impact of New Regulations?

Airbnb has underestimated the determination of NYC's municipal authorities, led by Mayor Eric Adams, a member of the Democratic Party. They are committed to resolving the problem of real estate inflation, which has been devastating for low-income households unable to acquire property in the city's five boroughs. Initially, Airbnb hoped to block a law passed in 2022 in court but failed to inform its clients of the risks involved. Unfortunately, their complaint was rejected on appeal on August 4, 2023. Only 405 of the 4,624 files received have been approved for Airbnb properties. 214 were definitively rejected, and 758 were returned for missing information. Thousands of others are waiting to be processed.

New York City is grappling with a severe real estate crisis as rents continue to rise and the rental supply fails to keep up with high demand. With a population of 8.6 million residents and an average of 200,000 new residents arriving annually, rental platforms only offered 23,000 properties for rent in July. This means that thousands of New Yorkers struggle to find suitable accommodation. Of the 23,000 properties, 4,100 are rented annually, accounting for 40% of New York City's turnover.

Can the Situation Get Better?

Brian Chesky, the CEO of Airbnb, has expressed pessimism regarding the situation in the city. He warns there won't be a resolution for a long time due to the municipality's strict rules. Many property owners have submitted applications to legalize their activity, but the results disappoint. **Three months after the deadline for submitting files, the number of available tourist**

rentals is insufficient, driving up the price of the city's 135,000 hotel rooms.

The organization responsible for regulating short-term rentals, OSE, has been facing a shortage of staff, which has led to an increase in file processing times from 50 to 87 days. This has decreased the number of Airbnb and other similar rental offers in the city. However, as the administration works to decongest the system, these offers are expected to increase again. The CEO of Airbnb, Brian Chesky, has stated that the company will continue to work with local authorities to ensure compliance with regulations. In addition to short-term rentals, there is also a growing number of new hotel rooms, with 10,000 expected in the city, which will increase the hotel stock in NYC by 8.5%.

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<https://www.tourism-review.com/airbnb-offer-of-a-nyc-tourist-apartment-got-scarcer-news13813>